

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 4301(H)
TO BE ANSWERED ON 07th JANUARY, 2019

LOSSES SUFFERED BY GRAPE FARMERS AND EXPORTERS

4301(H). SHRI HARISHCHANDRA CHAVAN:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government has taken note of the losses suffered by the grape farmers and exporters during 2010;
- (b) if so, the details thereof along with the reaction of the Government in this regard;
- (c) whether the Agricultural and Processed Food Products Export Development Authority has submitted any estimate to the Government in August, 2018 regarding compensation for the losses suffered by grape farmers and exporters in 2010;
- (d) if so, the details thereof; and
- (e) the action taken/efforts made by the Government to compensate the losses suffered by the grape farmers and exporters till date?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

- (a) Yes, Madam.
- (b) Some exporters have reported of losses due to rejection of consignments by the European Union in 2010. The rejection happened on account of detection of Chloromaquet Chloride (CCC). The Agricultural & Processed Food Products Export Development Authority (APEDA), in consultation with National Resource Centre (NRC) for Grapes, Pune, had introduced a Residue Monitoring Plan (RMP) for Grapes in 2003-04, which requires mandatory pre-shipment testing for residues, for grapes export to the European Union. To make it cost effective, NRC had limited the number of chemicals for pre-export testing and CCC was not on the list of chemicals for the RMP testing. In 2010, the EU suddenly enforced the testing with regard to presence of CCC and a number of grape consignments were rejected by the EU due to its presence.

The Residue Monitoring Plan (RMP) was introduced, in the face of an imminent ban by the EU due to detection of pesticide residues in grape consignments. The RMP was introduced to streamline the exports and to minimize the chances of rejections due to detection of chemical residues. The testing under the RMP was done for only a limited number of chemicals through a random sampling process prescribed by the NRC, Grapes, Pune, with a view to limit the costs. This process does not absolve the exporters from

meeting the standards required by EU, which prescribe limits for more than 400 chemicals.

- (c & d) Based on the FOB cost analysis done by the Government of Maharashtra/ NRC – Grapes. APEDA had submitted an estimate of Rs.9.61 crores for the losses suffered by the exporters.
- (e) The matter was taken up with the Ministry of Finance and on their advice was referred to the Office of Adviser Cost for verification of claims. The Office of Chief Adviser Cost, have advised to refer the matter to the Commission of Agricultural Costs & Prices (CACP) for analysis of cost of production.
